



House of Representatives

General Assembly

File No. 544

February Session, 2006

Substitute House Bill No. 5798

House of Representatives, April 18, 2006

The Committee on Appropriations reported through REP. MERRILL of the 54th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING DISABILITY RETIREMENT FOR CORRECTION OFFICERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 18-101e of the 2006 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective from passage*):

4 (a) Whenever a correction officer who is a member of a state
5 employee organization and a member of the state employees
6 retirement system, as a result of a special hazard inherent in the duties
7 of a correction officer, becomes (1) permanently disabled or
8 permanently unable to render service as a correction officer, and (2)
9 permanently unable to engage in other suitable, comparable
10 employment, the state employee organization representing such
11 member may, but is not required to, petition the Secretary of the Office
12 of Policy and Management on behalf of such member for a designation
13 of extraordinary circumstances for the purpose of calculating such
14 member's disability retirement income.

15 (b) If such petition is granted by the Secretary of the Office of Policy
16 and Management, or a designee, or as a result of an arbitration
17 conducted pursuant to subsection (c) of this section, the Department of
18 Correction shall (1) elevate such correction officer to the highest pay
19 grade in the member's bargaining unit, effective not later than the
20 member's last day of active state service, and (2) prepare an application
21 for disability retirement benefits under the state employees retirement
22 system that reflects the salary of such highest pay grade. The
23 Retirement Commission shall use the salary of such highest pay grade
24 in determining such member's disability retirement income in
25 accordance with the provisions of chapter 66.

26 (c) (1) If such petition is denied by the Secretary of the Office of
27 Policy and Management, or a designee, the state employee
28 organization representing such member may initiate arbitration by
29 filing with the State Board of Mediation and Arbitration the sole issue
30 of whether such member is entitled to a designation of extraordinary
31 circumstances for the purpose of calculating such member's disability
32 retirement income. A copy of the filing shall be served on the Secretary
33 of the Office of Policy and Management. Not later than seven days
34 after such copy has been served, the parties shall jointly select an
35 arbitrator. The person selected shall have substantial, current
36 experience as an impartial arbitrator of labor-management disputes.
37 Persons who serve partisan interests as advocates or consultants for
38 labor or management in labor-management relations or who are
39 associated with or are members of a firm that performs such advocate
40 or consultant work may not be selected. If the parties fail to agree on
41 an arbitrator within the seven-day period, the selection shall be made
42 using the procedures under the voluntary labor arbitration rules of the
43 American Arbitration Association.

44 (2) In any arbitration proceeding initiated under this section, the
45 sole issue before the arbitrator shall be whether such member is
46 entitled to a designation of extraordinary circumstances for purposes
47 of calculating such member's disability retirement income. The
48 arbitrator's decision shall be final and binding on all parties and shall

49 not be subject to appeal under any provision of the general statutes or
50 under any collectively bargained agreement.

51 (d) Nothing in this section shall be construed to alter the amount of
52 compensation due any member of a correctional institution pursuant
53 to the provisions of subsection (a) of section 5-142, as amended, or
54 chapter 568.

55 (e) The provisions of this section are applicable to disabilities
56 occurring on or after March 1, 1993.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	18-101e

LAB *Joint Favorable Subst. C/R*

APP

APP *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note**State Impact:**

Agency Affected	Fund-Effect	FY 07 \$	FY 08 \$
State Comptroller - Fringe Benefits	State Employees Retirement Fund - Cost	Potential Significant	Potential Significant

Municipal Impact: None

Explanation

The bill expands eligibility for increased disability retirements to corrections officers disabled on or after 3/1/93. According to information provided by the State Comptroller, there have been 249 corrections officers with service connected disability retirements from March 1993 to 2005. The cost to the State Employees Retirement System (SERS) and the subsequent impact on the state's contribution to SERS is a function of the number of cases that are designated extraordinary circumstances and the associated pay grade increases used in the benefit calculations. The actual impact to SERS and the state's contribution must be calculated by the SERS actuary and is not available at this time.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sHB 5798*****AN ACT CONCERNING DISABILITY RETIREMENT FOR CORRECTION OFFICERS.*****SUMMARY:**

This bill makes the law that provides extraordinary disability retirement benefits for correction officers retroactive to disabilities occurring on or after March 1, 1993. The additional benefit gives a correction officer eligible for disability retirement an increase in his benefit if the disability is considered to have created an extraordinary circumstance for him.

By law, the designation bases the disability retirement benefit on the highest pay grade of the member's bargaining unit regardless of the pay grade the member held at the time of the disabling incident. This increases the benefit for any employee who is not at the highest pay grade because pay grade is a factor in calculating a disability retirement.

EFFECTIVE DATE: Upon passage

BACKGROUND***PA 05-284***

This act created the extraordinary disability retirement benefit for correction officers, modeled after a similar provision for state police officers in the police union contract.

To qualify, the disability must be the result of a "special hazard inherent in the duties of a correction officer," and the employee must be permanently (1) disabled or unable to render service as a correction officer and (2) unable to engage in other suitable, comparable employment.

By law, the correction officers union, at its discretion, can petition the Office of Policy and Management (OPM) on behalf of an employee seeking to have the employees disability designated as an “extraordinary circumstances” disability. If OPM does not approve, the union can bring the issue to binding arbitration with the State Board of Mediation and Arbitration.

Retirement Benefits and Collective Bargaining

State employee pensions are a mandatory subject for collective bargaining and, by law, state employee contract provisions supersede contrary provisions of state law (CGS § 5-278(e)). Because the current pension contract is in force July 1, 2017, any changes in the law technically should not take effect before that date without the consent of the State Employees Bargaining Agents Coalition (SEBAC). Despite this, the legislature occasionally enacts legislation, such as with the 2003 Early Retirement Incentive Program, without first negotiating with SEBAC.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable Substitute Change of Reference

Yea 13 Nay 0 (03/21/2006)

Appropriations Committee

Joint Favorable

Yea 47 Nay 0 (04/04/2006)